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Jacqueline Marcus
Garrett A. Fail
Sunny Singh

*Attorneys for Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
In re	:	Chapter 11
	:	
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	:	Case No. 18-23538 (RDD)
	:	
Debtors. ¹	:	(Jointly Administered)
	:	
-----X		

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

NOTICE OF FILING
SECOND AMENDMENT TO THE ASSET PURCHASE AGREEMENT

PLEASE TAKE NOTICE that on January 18, 2019, Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (the “**Debtors**”) filed the *Notice of Successful Bidder and Sale Hearing* (ECF No. 1730), which attached as an exhibit a copy of the executed asset purchase agreement between the Debtors and Transform Holdco LLC (the “**Buyer**”) dated January 17, 2019 (as amended, the “**Asset Purchase Agreement**”).²

PLEASE TAKE FURTHER NOTICE that on February 7, 2019, the Debtors filed a *Notice of Filing Amendment to the Asset Purchase Agreement* (ECF No. 2456).

PLEASE TAKE FURTHER NOTICE that on February 8, 2019, the Court in the above-captioned chapter 11 cases entered the *Order (I) Approving the Asset Purchase Agreement Among Sellers and Buyer, (II) Authorizing the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, and Interests and Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts, and Leases in Connection Therewith and (IV) Granting Related Relief* (ECF No. 2507).

PLEASE TAKE FURTHER NOTICE that on April 12, 2019, the Debtors filed the *Notice of Amendment to Asset Purchase Agreement Extending Certain Deadlines* (ECF No. 3171).

² Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Asset Purchase Agreement.

PLEASE TAKE FURTHER NOTICE that attached hereto as **Exhibit A** is an executed version of the second amendment to the Asset Purchase Agreement dated as of May 10, 2019.

Dated: May 15, 2019
New York, New York

/s/ Jacqueline Marcus
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Ray C. Schrock, P.C.
Jacqueline Marcus
Garrett A. Fail
Sunny Singh

*Attorneys for Debtors
and Debtors in Possession*

Exhibit A

Second Amendment to the Asset Purchase Agreement

**AMENDMENT NO. 2 TO
ASSET PURCHASE AGREEMENT**

This Amendment No. 2, dated as of May 10, 2019 (this “Amendment”), to the Asset Purchase Agreement (as amended, the “Purchase Agreement”), dated as of January 17, 2019, by and among Transform Holdco LLC, a Delaware limited liability company (together with any applicable Affiliated Designee, “Buyer”), Sears Holdings Corporation (“SHC” or the “Seller” and together with each of its Subsidiaries party to the Purchase Agreement, the “Sellers”) is entered into by and among Buyer and each Seller. Terms capitalized but not defined herein shall have the meanings given to such terms in the Purchase Agreement.

WHEREAS, Buyer and the Sellers have previously entered into the Purchase Agreement pursuant to which, among other things, Buyer has acquired or will acquire the Acquired Assets and has assumed or will assume the Assumed Liabilities on the terms and subject to the conditions set forth in the Purchase Agreement;

WHEREAS, Buyer and the Sellers have previously entered into that certain Amendment No. 1 to the Purchase Agreement dated as of February 11, 2019; and

WHEREAS, Buyer and the Sellers desire to amend the Purchase Agreement in accordance with Section 13.3 of the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing, the representations, warranties, covenants and agreements set forth in the Purchase Agreement and this Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I AMENDMENTS

SECTION 1.01. Schedule 1.1(o) (Operating Leases) of the Purchase Agreement is hereby amended to add the following at the end of such Schedule:

<u>Store#</u>	<u>City</u>	<u>State</u>	<u>Fee Type</u>
1476	Anchorage (Diamond)	AK	Lease
1797	Overland Park	KS	Lease
1706	Lafayette	LA	Lease
6248	Kahului	HI	Lease
25008	Buffalo Grove	IL	Lease
25009	Bridgeview	IL	Lease

<u>Store#</u>	<u>City</u>	<u>State</u>	<u>Fee Type</u>
25016	Columbus	OH	Lease
2009	Hanford	CA	Lease
87099	Kent	WA	Lease
87719	Auburn	WA	Lease
8786	Jacksonville	FL	Lease
	Lisle	IL	RE Agreement
	Greenville	DE	Lease

SECTION 1.02. Schedule 1.1(p) (Operating Owned Properties) of the Purchase Agreement is amended and clarified as follow:

(a) said Schedule 1.1(p) is hereby amended to add the following at the end of such Schedule:

<u>Store#</u>	<u>City</u>	<u>State</u>
7756 (the owned lot associated with the Operating Leased Property having this Unit #)	Bishop	CA
26731	Dublin	OH

(b) the reference to Store# 490 in Hoffman Estates, Illinois is hereby clarified to reflect that such reference includes all interest of Seller in the daycare building located on the same legal tax parcel.

SECTION 1.03. Schedule 6.6(a)(2) (Tenancies Applicable to Owned Real Property) is hereby amended to change the cell identifying “Tenant Sq. Ft.” for Store #30961 from “1,546,815” to “Parking Lot”.

SECTION 1.04. Schedule 6.6.(a)(4) (Licenses Applicable to the Owned Real Property or Lease Premises) of the Purchase Agreement is hereby amended to add the following at the end of such Schedule:

<u>RE ID</u>	<u>City</u>	<u>State/ Locality</u>	<u>SHC Format</u>	<u>Close Date</u>	<u>Active Licensed Businesses in Store</u>
1476	Anchorage	AK			Universal Vending
1797	Overland Park	KS			Universal Vending
1706	Lafayette	LA			Universal Vending

SECTION 1.05. Schedule 6.6(c)(2) (Tenancies Applicable to Leased Real Property) is hereby amended as follows:

(a) the cell identifying “Tenant Sq. Ft.” for Store #30961 is changed from “Parking Lot” to “1,546,815”.

(b) said Schedule 6.6(c)(2) is hereby amended to add the following at the end of such Schedule:

<u>Store #</u>	<u>City</u>	<u>ST</u>	<u>Tenant Legal Entity Name</u>	<u>Tenant Sq. Ft</u>	<u>Tenant Lease Year Executed</u>	<u>Tenant Lease Expiration Date</u>
1598/26720	City of Industry	CA	Starbucks Corporation	2,400	2017	2/28/2027
1598/26720	City of Industry	CA	California Fish Grill, LLC	3,000	2015	1/31/2026
1598/26720	City of Industry	CA	CMM, LLC (Jimmy John’s)	1,413	2015	3/31/2027
1598/26720	City of Industry	CA	Five Guys Properties, LLC	2,207	2016	4/30/2027

SECTION 1.06. Schedule 6.6(c)(3)(B) (Security Deposits Applicable to the Leased Properties) of the Purchase Agreement is hereby amended to add the following at the end of such Schedule:

<u>PS Unit#</u>	<u>Lease</u>	<u>City</u>	<u>State</u>	<u>Landlord/Tenant name</u>	<u>Paid (Received) Amount</u>
1476		Anchorage	AK	Morrison Investments	\$36,437.85
1706		Lafayette	LA	RB River IV LLC	\$24,247.50
25016	25016 44D	Columbus	OH	Browning Polaris, LLC	\$18,657.74

ARTICLE II MISCELLANEOUS

SECTION 2.01. This Amendment, the Purchase Agreement (including any Exhibits), and the other Transaction Documents contain all of the terms, conditions and

representations and warranties agreed to by the parties hereto relating to the subject matter of this Agreement and supersede all prior and contemporaneous agreements, understandings, negotiations, correspondence, undertakings and communications of the parties hereto or their representatives, oral or written, respecting such subject matter. The terms of this Amendment shall constitute a waiver of the Purchase Agreement only with respect to the specific amendments herein and shall in no way impair the rights of any Party in any other respect.

SECTION 2.02. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto. Delivery of an executed counterpart of a signature page to this Amendment by facsimile, email in “portable document format” (“.pdf”) form, or by other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.

SECTION 2.03. Except as otherwise provided herein, the Purchase Agreement shall remain unchanged and in full force and effect. On and after the date hereof, each reference in the Purchase Agreement to “this Agreement”, “herein”, “hereof”, “hereunder” or words of similar import shall mean and be a reference to the Purchase Agreement as amended hereby, although it shall not alter the dates as of which any provision of the Purchase Agreement speaks. For example, phrases such as “as of the date hereof” and “as of the date of this Agreement” shall continue to refer to January 17, 2019, the date that the Purchase Agreement was originally executed.

SECTION 2.04. Article XIII of the Purchase Agreement shall, to the extent not already set forth in this Amendment, apply *mutatis mutandis* to this Amendment.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed and delivered on its behalf by its duly authorized officer as of the date and year first written above.

Transform Holdco LLC

DocuSigned by:

By:

Name: Edward B. Campert

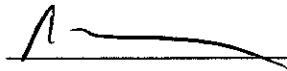
Title:

[Signature Page to Amendment No. 2 to Asset Purchase Agreement]

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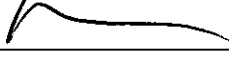
Sears Holdings Corporation

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer

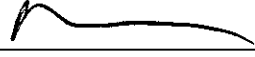
Kmart Holding Corporation

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director


Kmart Operations LLC

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director

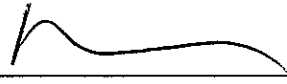
Sears Operations LLC

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director

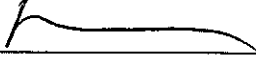
Sears, Roebuck and Co.

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer, President &
Director

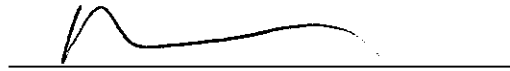
ServiceLive, Inc.

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director

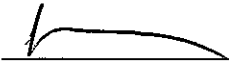
SHC Licensed Business LLC

By: 

Name: Robert A. Riecker

Title: Chief Financial Officer of Kmart
Corporation, its Member

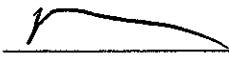
A&E Factory Service, LLC

By: _____

Name: Robert A. Riecker

Title: Vice President & Director

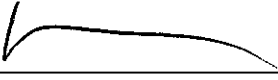
A&E Home Delivery, LLC

By: _____

Name: Robert A. Riecker

Title: Vice President & Director

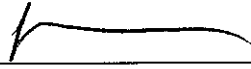
A&E Lawn & Garden, LLC

By: _____

Name: Robert A. Riecker

Title: Vice President & Director

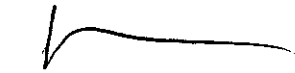
A&E Signature Service, LLC

By: _____

Name: Robert A. Riecker

Title: Vice President & Director

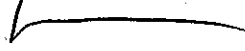
FBA Holdings Inc.

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director

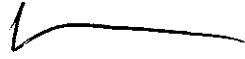
Innovel Solutions, Inc.

By:  _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director


Kmart Corporation

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director


MaxServ, Inc.

By:  _____

Name: Robert A. Riecker

Title: Vice President & Director

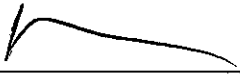
Private Brands, Ltd.

By:  _____

Name: Robert A. Riecker

Title: Vice President & Director

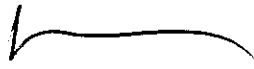
Sears Development Co.

By: _____

Name: Robert A. Riecker

Title: President & Director

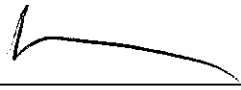
Sears Holdings Management Corporation

By:  _____

Name: Robert A. Riecker

Title: President & Director

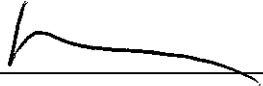
Sears Home & Business Franchises, Inc.

By: _____

Name: Robert A. Riecker

Title: Vice President & Director

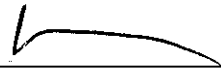
Sears Home Improvement Products, Inc.

By: _____

Name: Robert A. Riecker

Title: President & Director

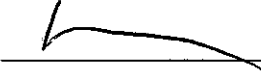
Sears Insurance Services, L.L.C.

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer

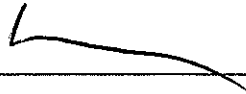
Sears Procurement Services, Inc.

By: _____

Name: Robert A. Riecker

Title: Vice President

Sears Protection Company

By: _____

Name: Robert A. Riecker

Title: Vice President

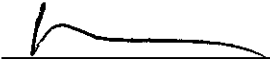
Sears Protection Company (PR), Inc.

By: _____

Name: Robert A. Riecker

Title: Vice President

Sears Roebuck Acceptance Corp.

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director

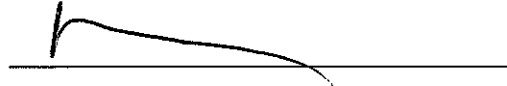
Sears, Roebuck de Puerto Rico, Inc.

By: 

Name: Robert A. Riecker

Title: Vice President & Director


SYW Relay LLC

By: 

Name: Robert A. Riecker

Title: Chief Financial Officer of Sears,
Roebuck and Co., its Member

Wally Labs LLC

By: _____

Name: Robert A. Riecker

Title: Vice President

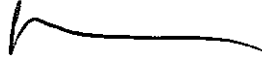
SHC Promotions LLC

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer

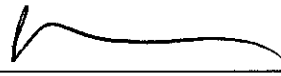
Big Beaver of Florida Development, LLC

By: _____

Name: Robert A. Riecker

Title: President

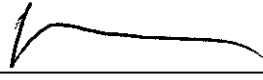
California Builder Appliances, Inc.

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director

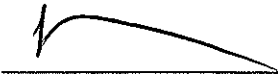
Florida Builder Appliances, Inc.

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer & Director

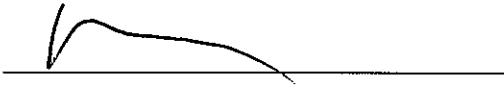
KBL Holding Inc.

By: _____

Name: Robert A. Riecker

Title: Vice President & Director

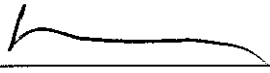
Kmart of Michigan, Inc.

By: 

Name: Robert A. Riecker

Title: Vice President & Director

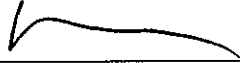
Kmart of Washington LLC

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer of Kmart
Corporation, its Member

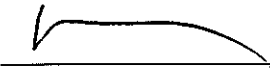
Kmart Stores of Illinois LLC

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer of Kmart
Corporation, its Member

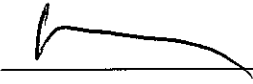
Kmart Stores of Texas LLC

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer of Kmart
Corporation, its Member

MyGofer LLC

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer of Kmart
Corporation, its Member

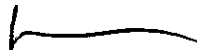
Sears Brands Business Unit Corporation

By: _____

Name: Robert A. Riecker

Title: Vice President & Director

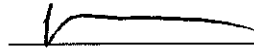
Sears Holdings Publishing Company, LLC

By:  _____

Name: Robert A. Riecker

Title: Vice President

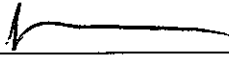
Sears Protection Company (Florida), L.L.C.

By: _____

Name: Robert A. Riecker

Title: Vice President

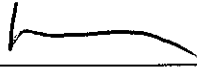
SHC Desert Springs, LLC

By: _____

Name: Robert A. Riecker

Title: Chief Financial Officer of Kmart
Corporation, its Member

SOE, Inc.

By: _____

Name: Robert A. Riecker

Title: President & Director

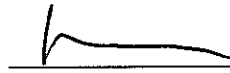
StarWest, LLC

By: _____

Name: Robert A. Riecker

Title: President & Director


STI Merchandising, Inc.

By: _____

Name: Robert A. Riecker

Title: President & Director


Troy Coolidge No. 13, LLC

By:  _____

Name: Robert A. Riecker

Title: Chief Financial Officer of Kmart
Corporation, its Member


BlueLight.com, Inc.

By: _____

Name: Robert A. Riecker

Title: Vice President & Director

Sears Brands, L.L.C.

By:  _____

Name: Robert A. Riecker

Title: Vice President & Manager

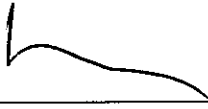
Sears Buying Services, Inc.

By: _____

Name: Robert A. Riecker

Title: President & Director

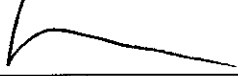
Kmart.com LLC

By: _____

Name: Robert A. Riecker

Title: Vice President of BlueLight.com, its
Member

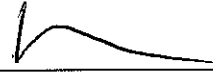
Sears Brands Management Corporation

By: _____

Name: Robert A. Riecker

Title: Vice President & Director

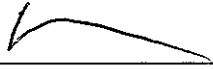
KLC, Inc.

By: _____

Name: Robert A. Riecker

Title: Vice President & Director


SRe Holding Corporation

By:  _____

Name: Robert A. Riecker

Title: Vice President & Director

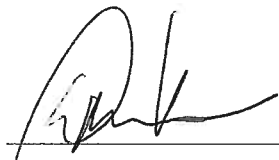
SRC Sparrow 2 LLC

By: 

Name: Robert A. Riecker

Title: President & Director

Sears Reinsurance Company Ltd.

By: _____

Name: Wanette Vann

Title: Vice President

Its duly authorized officer